

§ 275.4

and loan, or homestead association (including cooperative banks), credit union, or consumer finance institution that is located in any state or territory of the United States, or in the District of Columbia, Puerto Rico, Guam, American Samoa, or the Virgin Islands.

(e) *Financial Record*. An original, its copy, or information known to have been derived from the original record held by a financial institution that pertains to a customer's relationship with the financial institution.

(f) *Government Authority*. Any agency or Department of the United States, or any officer, employee, or agent thereof, to include DoD law enforcement offices, personnel security elements, and/or intelligence organizations.

(g) *Intelligence Activities*. The collection, production, and dissemination of foreign intelligence and counterintelligence, to include investigation or analyses related to international terrorism, by DoD intelligence organizations.

(h) *Intelligence Organizations*. Any element of a DoD Component authorized by the Secretary of Defense to conduct intelligence activities.

(i) *Law Enforcement Inquiry*. A lawful investigation or official proceeding that inquires into a violation of or failure to comply with a criminal or civil statute, or any rule, regulation, or order issued pursuant thereto.

(j) *Law Enforcement Office*. Any element of a DoD Component authorized by the Head of the DoD Component conducting law enforcement inquiries.

(k) *Person*. An individual or a partnership consisting of five or fewer individuals.

(l) *Personnel Security Element*. Any element of a DoD Component authorized by the Secretary of Defense conducting personnel security investigations.

(m) *Personnel Security Investigation*. An investigation required for determining a person's eligibility for access to classified information, acceptance or retention in the Armed Forces, assignment or retention in sensitive duties, or other designated duties requiring such investigation. Personnel security investigations include investiga-

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tions conducted for the purpose of making personnel security determinations. They also include investigations of allegations that may arise subsequent to favorable adjudicative action and require resolution to determine a person's current eligibility for access to classified information or assignment or retention in a sensitive position.

§ 275.4 Policy.

It is DoD policy that:

(a) Authorization of the customer to whom the financial records pertain shall be sought unless doing so compromises or harmfully delays either a legitimate law enforcement inquiry or a lawful intelligence activity. If the person declines to consent to disclosure, the alternative means of obtaining the records authorized by subpart B shall be utilized.

(b) The provisions of 12 U.S.C. Chapter 35 do not govern obtaining access to financial records maintained by military banking contractors located outside the United States, the District of Columbia, Guam, American Samoa, Puerto Rico, and the Virgin Islands. The guidance set forth in Appendix N of subpart B may be used to obtain financial information from these contractor operated facilities.

§ 275.5 Responsibilities.

(a) The Director of Administration and Management, Office of the Secretary of Defense shall:

(1) Exercise oversight to ensure compliance with this part.

(2) Provide policy guidance to affected DoD Components to implement this part.

(b) The Secretaries of the Military Departments and the Heads of the affected DoD Components shall:

(1) Implement policies and procedures to ensure implementation of this part when seeking access to financial records.

(2) Adhere to the guidance and procedures contained in this part.